

3/28/19

3:40 P.M.

Chapter No. 419  
19/HR31/R663CS  
CB 12R

## ***HOUSE BILL NO. 1065***

Originated in House  Clerk

HOUSE BILL NO. 1065

AN ACT TO AUTHORIZE AN INCOME TAX JOB CREDIT FOR ENTERPRISES THAT ARE PRIMARILY ENGAGED IN PROVIDING INLAND WATER TRANSPORTATION OF CARGO ON LAKES, RIVERS AND INTRACOASTAL WATERWAYS FOR EACH FULL-TIME EMPLOYEE EMPLOYED BY THE ENTERPRISE IN A MISSISSIPPI FULL-TIME JOB; TO PROVIDE THE AMOUNT OF SUCH CREDIT; TO LIMIT THE AMOUNT OF THE CREDIT THAT MAY BE CLAIMED IN ANY ONE YEAR; TO AUTHORIZE ANY TAX CREDIT CLAIMED BUT NOT USED IN ANY TAXABLE YEAR TO BE CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** (1) The following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates:

(a) "Water transportation enterprise" means an enterprise or establishment primarily engaged in providing inland water transportation of cargo on lakes, rivers and/or intracoastal waterways, except on the Great Lakes System.

(b) "Mississippi full-time job" means a job created in the State of Mississippi on or after January 1, 2019, and filled by a Mississippi resident who works at least thirty-five (35) hours per week.

(2) Subject to the provisions of this section, any water transportation enterprise is allowed a job tax credit for taxes imposed by this chapter equal to Two Thousand Dollars (\$2,000.00) annually for each Mississippi full-time job created for a period of five (5) years from the date the credit commences. A water transportation enterprise may not claim a tax credit for the reemployment of a person whose employment with the enterprise is terminated by the enterprise if the reemployment by the enterprise occurs within twelve (12) months from the date of the termination. The credit shall commence on the date selected by the enterprise. For the year in which the commencement date occurs, the credit will be determined based on the monthly average number of full-time employees employed by the water transportation enterprise in Mississippi full-time jobs subject to the Mississippi income tax withholding. For each year thereafter, the number of Mississippi full-time jobs shall be determined by comparing the monthly average number of full-time employees employed at the water transportation enterprise in Mississippi full-time jobs subject to the Mississippi income tax withholding for the taxable year with the corresponding period of the prior taxable year. The Department of Revenue shall adjust the credit allowed each year for employment fluctuations.

(3) The credit that may be used each year shall be limited to an amount not greater than the total state income tax liability of the water transportation enterprise. Any tax credit claimed

under this section but not used in any taxable year may be carried forward for five (5) consecutive years from the close of the tax year in which the credits were earned.

(4) (a) The sale, merger, acquisition, reorganization, bankruptcy or relocation from one (1) county to another county within the state of any water transportation enterprise may not create new eligibility in any succeeding business entity, but any unused job tax credit may be transferred and continued by any transferee of the water transportation enterprise. The Department of Revenue shall determine whether or not qualifying net increases or decreases have occurred or proper transfers of credit have been made and may require reports, promulgate regulations, and hold hearings as needed for substantiation and qualification.

(5) The credits allowed under this section shall not be used by any business enterprise or corporation other than the water transportation enterprise actually qualifying for the credits.

(6) The maximum aggregate amount of tax credits that may be claimed by all taxpayers claiming a credit under this section in a taxable year shall not exceed Two Million Dollars (\$2,000,000.00).


(7) Any water transportation enterprise that is eligible for the credit authorized in this section before January 1, 2023, shall be eligible for the credit authorized in this section, notwithstanding the repeal of this section, and shall be allowed to carry forward the credit after January 1, 2023, as provided for in subsection (3) of this section.

(8) This section shall be repealed from and after January 1, 2023.

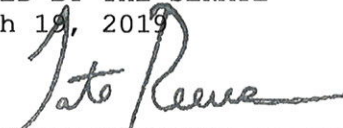
**SECTION 2.** Section 1 of this act shall be codified as a new section in Chapter 7, Title 27, Mississippi Code of 1972.

**SECTION 3.** This act shall take effect and be in force from and after January 1, 2019.

PASSED BY THE HOUSE OF REPRESENTATIVES  
February 6, 2019

  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE  
March 12, 2019

  
PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

  
GOVERNOR

3/28/2019 3:40pm